

## Honorable John D. Dingell Before the National Association of Broadcasters State Leadership Conference

Statement of Congressman John D. Dingell, Chairman  
Committee on Energy and Commerce

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BEFORE THE  
NATIONAL ASSOCIATION OF BROADCASTERS  
STATE LEADERSHIP CONFERENCE  
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Thank you, Karole, for that generous introduction. You have been a good friend to me for more years than I can count, and I deeply value your friendship. Let me also acknowledge the other broadcasters from the great State of Michigan that I see in our audience, and thank them for their support and friendship over the years.

I have enjoyed a long and mutually beneficial relationship with the NAB that has spanned several decades. We've fought some tough battles together over the years. We've agreed on many issues, and agreed to disagree on others. But with leadership of the caliber of Eddie Fritts and Vince Wasilewski, we always remained good friends. That is a tribute to the professionalism and courtesy of this organization and its members.

We meet today during a time of great transformation. Every day we see new ways of satisfying consumers' craving for information and entertainment anytime and anywhere.

The fast pace of technological change has implications for your industry " and for mine. Technology has changed the way my congressional office operates, how I communicate with my constituents, how I run a campaign. Believe it or not, my favorite Gilbert and Sullivan tunes are delivered to me via I-Pod, and I find myself fumbling with my blackberry's tiny keyboard at all hours of the day. This is from someone who remembers the day when digital meant that you could count all the broadcast stations in your city on one hand.

These things serve, in an indirect way, to give me an appreciation of one of the challenges you face in the transition to digital radio and television. You have been constructing towers, erecting transmitters, swapping out equipment and paying multiple utility bills for some time " yet this is not simply a technical challenge. Technology isn't a matter of "if y build it, they will come." The last time I checked, we weren't recording anything on our Betamaxes. The technology has to be user friendly and easily embraced by the public.

And that's where the challenge is for the digital transition. It's going to be no small task to guide the public through the transition without cutting off millions of Americans from a vital source of local news and information.

American consumers can be a fickle bunch, and you and I have limited means of predicting or controlling their reaction. The average American may be annoyed by having to buy a \$50 box just to keep a \$100 television set working. Even for well-to-do households the hassle factor of connecting equipment and adjusting antennas may well be annoying.

Iâ€™m detecting limited appreciation in certain quarters for the complexity and sensitivity of the transition. In the last Congress the Republican majority wanted to end analog broadcasting in 2006 and opposed subsidizing disenfranchised viewers. Many of us worked hard as the legislation progressed to inject a dose of rationality. It moved in the right direction when the date was pushed back and a partial subsidy provided.

But before anyone applauds a job well done, let me borrow a phrase from Oscar winner Al Gore, and cite a few inconvenient truths.

The DTV hard date became law more than a year ago. Yet we still have no details of the converter box program to assist disenfranchised American households.

Based on the initial proposal from NTIA, the Administration appears to view this program as little more than an unwelcome homework assignment. Their initial notice showed a shocking ignorance of the Congressional debate.

By law, the coupon program starts in 10 months. We donâ€™t yet have technical standards for the boxes. We donâ€™t know when the boxes will be ready. We donâ€™t know how much personal information consumers must disclose on the application. We donâ€™t know whether retailers will maintain an adequate supply of boxes and report redemption rates in a timely manner.

While there is a lot we donâ€™t know, we can be certain of one thing: . If the converter box program doesnâ€™t proceed smoothly, a day of reckoning will come. A scapegoat will be found. People will be voted off the island.

Many of us urged improvements in the cumbersome coupon process that is underfunded and unfriendly to the consumer. In what is still a mystery to me, the NAB sent an unusual â€œkey voteâ€• letter to every House member supporting a program that requires consumers to apply to the government for their coupon. You supported a program that capped consumer education funding at \$5 million. As you must recognize, this effort will require much more than that. \$5 million wonâ€™t even buy two thirty second Super Bowl spots.

Now you must do your part to push digital-to-analog converter boxes to every corner of our country â€” to non-English speakers, to the elderly, to low income households, to sparsely populated rural areas. I was pleased to see NAB step forward with others to commit resources for the education of the American consumer, and I intend to monitor closely those and other efforts.

Consumers need to know about the date, about the converter box program and about how they can enroll in it. Come to think of it, the subject would make a fine series of public service announcements. And this effort may represent an opportunity for the industry -- the added programming and high quality picture reception over-the-air will remind people of the wonders of free TV.

Itâ€™s been reported that NAB is treating this like a political campaign â€” that â€œdigital televisionâ€• is the candidate, and February 2009 the election date. I have 51 years of experience with elections, and let me suggest one big distinction. You can win a political campaign with low turnout and a plurality of the votes â€” sometimes you donâ€™t even need a plurality, as the 2000 Presidential election taught us. If the digital transition campaign has low turnout and only captures 51% of the over-the-air audience, I doubt it would lead to much of a victory celebration.

I have some additional and serious concerns with the FCCâ€™s desire and ability to handle the overall transition. Itâ€™s no secret that Iâ€™ve had my share of differences with countless FCCs over the years, and the current FCC is no exception. That agency repeatedly has problems following the authority given to them by Congress.

One area the Commission has largely ignored is what the digital transition means for broadcaster public interest obligations. I realize some of you would rather not talk about public interest obligations. You may feel up against a fast-changing video and audio landscape marked by many new players. But as dynamic as the broadcasting business is, the most basic public policy issues remain the same.

You are something special. You have a rare privilege that should not be taken for granted. For 70 years the unique partnership between broadcasters and the government built a free over-the-air local broadcasting system that is the envy of the world. Technology may have changed over those 70 years, but the basic commitment to serve the public and local viewers and listeners is what sets you apart.

I also have an important responsibility: to see that the public service will continue. I intend for our Committee to vigorously oversee the FCC as it once again turns its attention to media ownership issues. I've always believed that more and diverse voices in the marketplace is far and away the best means to protect a strong democracy, and I continue to strongly hold that view.

I also note with interest some recent disputes between broadcasters and cable operators on retransmission consent negotiations. As one who supported the rights of broadcasters to negotiate carriage of their signal in 1992, I still believe you should have that right. But I am keeping a close eye on these disputes. I hope broadcasters and cable operators will keep the best interest of the consumer in mind when conducting their negotiations. And I believe all parties should be treated fairly, openly and sensibly when they take disputes before the FCC.

I thank you for your patience, and wish you the best of luck.

Prepared by the Committee on Energy and Commerce  
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